

**VIRGINIA RECYCLING MARKETS DEVELOPMENT COUNCIL  
AUGUST 13, 2002  
10:00 A.M.**

**VDOT MATERIALS DIVISION CENTRAL OFFICE, ELKO**

**APPROVED MEETING MINUTES**

**1. Welcome and Introductions:**

Mike Benedetto, RMDC Chairman, called the meeting to order and welcomed the members of the Virginia Recycling Markets Development Council and members of the public to the meeting.

| <b>RMDC:</b>          | <b>Representing:</b> | <b>Staff:</b>    | <b>Representing:</b> |
|-----------------------|----------------------|------------------|----------------------|
| Philip Abraham        | Plastics Industry    | Steve Coe        | VDEQ                 |
| Michael Benedetto     | Paper Industry       | Allan Lassiter   | VDEQ                 |
| Ed Duke               | Recycling Industry   | Bill Norris      | VDEQ                 |
| B. Paige Holloway     | Public-At-Large      |                  |                      |
| Robert Kerlinger, Jr. | Composting Industry  |                  |                      |
| John Kline            | Tire Industry        | <b>Visitors:</b> | <b>Representing:</b> |
| Richard Lerner        | Metals Industry      | David Blount     | Thomas Jefferson PDC |
| Brian Salmon          | Aluminum Industry    | Matt Brow        | Kemper Consulting    |
| Thomas Smith          | VACO                 | Dori Brown       | City of Newport News |
| Douglas Wine          | VML                  | Chip Goyette     | Arlington County     |
| David Woodbury        | Glass Industry       | Anne Leigh Kerr  | Anheuser Busch       |
| Bill Bailey           | VDOT                 | Denise Thompson  | VML                  |
| Georgiana Ball        | VDGS                 |                  |                      |
| Michael Murphy        | VDEQ                 |                  |                      |
| Will Vehrs            | VDBA                 |                  |                      |

**2. Determining Quorum:**

A quorum for the Virginia Recycling Markets Development Council has been established as a simple majority of the appointed members to the Council. The Council is fully represented by 15 appointed members. Therefore a minimum of 8 members must be present to establish a quorum. A total of 10 of the appointed members were in attendance at the start of the meeting, therefore a quorum was established. A total of 11 of the appointed members were present for the majority of the meeting.

**3. Approval of Minutes:**

Chairman Mike Benedetto asked for clarification of the source of the statements on Page 3 of the minutes for June 18, 2002 related to the waste surcharge discussions. Tom Smith, Chair of the Waste Surcharge Subcommittee, indicated that the statements came from his meeting with Mr. David Paylor, Deputy Secretary of Natural Resources. After this clarification Mike Benedetto called for the Council's pleasure with regard to the Minutes for the June 18, 2002 Council Meeting. Doug Wine moved that the minutes be approved as clarified. Richard Lerner seconded the motion. The Minutes were approved as clarified.

#### **4. Waste Disposal Surcharge Subcommittee Report:**

Tom Smith, Chair of the Waste Disposal Surcharge Subcommittee, stated that information that he had obtained from Pennsylvania shows that they have just passed legislation that added \$4.00 per ton to their existing waste surcharge of \$3.25, for a total surcharge of \$7.25 per ton. Some of these funds were assigned to the General Fund, but the majority are earmarked for their Environmental Stewardship programs.

He presented the following recommendations from their report:

The Subcommittee recommends support of a waste surcharge of \$2.00 to \$3.00 per ton on all solid waste disposal facilities who are required by § 10.1-1413.1 to report annual amounts of waste disposed.

The Subcommittee recommends that a total of at least 70% of the funds collected should be returned to local governments to fund recycling, yard waste composting, solid waste management and environmental programs. These funds should be sent directly back to solid waste management planning units based upon a formula using population as a basis because population is one of the best indicators of the amount of solid waste generated within the unit. A floor should be established in any such funding formula to insure that a minimum amount is sent to smaller units. The funds that are returned to local solid waste planning units should be utilized as follows:

- A minimum of 30% and a maximum of 60% of the funds received by a unit shall be used for local recycling and yard waste composting programs, including local grants to private companies for recycling markets development and processing.
- A minimum of 30% and a maximum of 50% shall be used for local solid waste management purposes, including closure costs (including closure of 1205 landfills). Operational costs and any other use to offset the impact of the solid waste fee surcharge.
- A maximum of 30% may be used for other local environmental programs, including open space, watershed management and protection, brownfields redevelopment, closure of 1205 landfills and any other solid waste management program.

The remaining 30% of the total funds generated by the waste disposal surcharge shall be used for statewide environmental programs, such as open space preservation or water quality improvement, with 2% of the total funds to be used to fund DEQ to administer the program.

C&D facilities should be charged the waste surcharge, with a cubic yard to ton ration of 6:1 for facilities that do not have scales.

The effective date of any legislation proposed this year should be July 1, 2004.

The funds should be placed in a separate trust fund which can only be used for the purposes stated. Should funds be used for any other purposes, an enactment clause in the legislation should provide that the fund and the surcharge would be repealed.

After discussions by the committee, Bob Kerlinger made a motion to approve the Subcommittee recommendations. Doug Wine seconded the motion. The motion was approved by a vote of 11 Yes, 0 No, 2 Abstentions.

It was recommended that the RMDC Chairman send a letter forwarding these Waste Surcharge recommendations to the Secretary of Natural Resources, the Chairs of the two legislative subcommittees working on this issue and to DEQ as soon as possible.

## **5. Recycling Rate Report Summary:**

DEQ Staff presented a Power Point Presentation on the current status of Virginia's Recycling Rate Reports for CY 2001. As of July 26, 2002, 96 recycling rate reports had been processed representing recycling programs for 317 localities. This is a 98% reporting response. As of today's meeting a total of 98 reports representing 320 localities have been received and processed. A total of 4 locality reports are currently missing. These localities have been contacted and the reports should be forthcoming. Using the data "as reported" from the locality recycling rate reports with only minor conversion and entry errors corrected the statewide recycling rate is 37.34%. It was noted that there was an adjustment made to one locality due to some erroneous reporting that resulted in an official "as reported" rate of 36.47% based on the current submittals. Staff reviewed several different rate adjustment alternatives. Using recycling categories that would closely match those allowed by EPA, the average statewide recycling rate for Virginia would be 24.56%.

Mike Murphy noted that the law requiring the filing of these Recycling Rate Reports also provided for authority for granting of an exemption for market conditions beyond the control of a locality to the Director of DEQ. He noted that when DEQ staff was working with those localities that did not achieve a 25% Recycling Rate that the need for an exemption would also be discussed with the locality. It was noted that no request for exemption has been filed with DEQ. DEQ staff noted that they would be working with all localities that did not achieve the 25% rate as a means of "compliance assistance".

There was some discussion regarding which localities were included in which of the identified Solid Waste Management Planning Units. DEQ staff provided a listing of the SWPUs and their associated localities as currently identified either in the existing SWPU plans or as Co-Op Reporting localities.

The relationship between the Recycling Rate Report Data on Municipal Solid Waste Disposed and the figures for Waste contained in the Solid Waste Assessment Report was discussed. DEQ staff was requested to look at those figures to determine what, if any, correlation exists.

## **6. Recycling Rate Subcommittee Report:**

Mike Murphy, Chair of the Recycling Rate Subcommittee presented the following report for the subcommittee:

On July 25, 2002, the Recycling Rate Subcommittee received a summary report from DEQ on the data submitted by localities on their recycling programs for calendar year 2001. Based on this data, DEQ calculated that the statewide recycling rate for CY 2001 was 37.34%.

After a review of the data and of the summary information provided, the subcommittee makes the following recommendations:

- That DEQ present its findings to the RMDC at its August 13<sup>th</sup> meeting,
- That the RMDC/DEQ seek local government input on the issue of changing the recycling mandate, and
- That no change to the mandate be proposed at this time by the RMDC.

He noted that Richard Lerner, the other member of the subcommittee, and John Kline attended the meeting along with DEQ staff. He also noted that the mission of the Subcommittee was to examine the current 25% recycling rate and determine if there should be any changes to the mandate recommended. Based on the information provided through the current Recycling Rate Reports, the state has met and exceeded the currently mandated statewide recycling rate with a statewide average of 37%.

The possibility of having a pre-meeting related to the State's Recycling Mandate prior to the next RMDC meeting was discussed. This would provide an opportunity for local coordinators and local governments to discuss the current 25% mandate with the subcommittee prior to formulation of its recommendations. Mike Benedetto asked that Richard Lerner and Georgiana Ball get together to discuss the possibility of such a meeting. Georgiana Ball agreed to take the request before the Virginia Council for Litter Prevention and Recycling at their next meeting (Thursday, August 15, 2002) to determine the level of interest by the local coordinators.

Mike Benedetto requested that the recommendations of the subcommittee be developed and presented by November 15 so that it can be included in the Annual Report. A summary of the final recycling rate report data will be provided as part of the subcommittee's final report for the year.

Mike Benedetto asked for a clarification on the decision to exclude incineration from consideration as recycling and why tires were included. Mike Murphy responded that the subcommittee did not consider the issue of incineration during their deliberations and that the Waste Management Board had specifically excluded incineration (waste-to-energy) programs from consideration as "recycling". Staff responded that tires, as well as waste oil, were included as recycling because there are state programs in place that supported these efforts ("end user reimbursement" and "oil burning tax credit") and that tax payers were supporting these programs. Mike Benedetto indicated that he would like to see information on the tonnages of materials being incinerated or used in "waste-to-energy" facilities.

**7. Recycling Coordinator Subcommittee Report:**

Will Vehrs, Chair of the Subcommittee, reported that he and Paul Alcantar had not been able to meet to formulate a report for today's meeting. They have collected some information related to the position and will try to prepare something for the next meeting.

He indicated that the Governor would be having a series of Economic Development meetings throughout the state that might provide a good forum to discuss the need for a State Recycling Coordinator. Upcoming meetings to gather input for Governor Warner's Economic Development Strategic Plan will be held from 9:30 A.M. to 12:30 P.M. in the following locations:

- September 9 (Monday) - Manassas - Northern Virginia Community College
- September 10 (Tuesday) - Richmond - General Assembly Bldg., HR C
- September 17 (Tuesday) - Irvington - The Tides Inn
- September 19 (Thursday) - Richlands - Southwest VA Comm. Coll. Center
- September 20 (Friday) - South Boston - Southern VA Continuing Ed Center
- September 26 (Thursday) - Weyer's Cave - Criminal Justice Training Center
- September 27 (Friday) - Lynchburg - Central Virginia Community College

New members of the RMDC requested an update on the status of the job description and needs identified by last year's Council for the Recycling Coordinator position. Bob Kerlinger suggested that it might be good to know how many Cities and Counties had full-time or part-time Recycling Coordinators.

Mike Benedetto asked the subcommittee to make their recommendations on the requirements of the position and its funding options at the next meeting of the Council, so that the recommendations could be considered by the full Council and could be approved for inclusion in the Annual Report.

**8. Old Business:**

Mike Benedetto requested the Council's pleasure with regard to the formation of a subcommittee to look into the issue of the Recycling Equipment State Income Tax Credit process. It was the consensus of the Council that this should not be addressed this year, but might be something to look at for possible consideration for next year.

**9. New Business:**

Georgiana Ball, President of the Virginia Recycling Association, distributed a copy of the upcoming VRA Conference to be held in Williamsburg on October 21 and 22, 2002. She noted that the RMDC would be meeting on Monday, October 21 from 10:00 to 1:00 at the conference facility. She encouraged all members of the Council to consider planning on staying for the conference and that there a price break for those registering by September 20. She also requested nominations for this year's VRA Annual Awards for Excellence. Nomination submissions are due by September 1, 2002.

**10. Public Comment:**

Dori Brown, representing the City of Newport News, stated that the City was opposed to any waste surcharge.

**11. Meeting Schedule:**

- October 21, 2002 from 10:00 A.M. to 1:00 P.M. at the Clarion Hotel & Conference Center, Williamsburg

**12. Adjourn:**

Bob Kerlinger made a motion to adjourn. Richard Lerner seconded the motion. The meeting was adjourned at 11:45 A.M.